

**MINUTES OF THE
NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE
January 24, 2008
Room W130, West Office, Building, State Capitol Complex**

MEMBERS PRESENT: Sen. Dennis Stowell, Co-Chair
Rep. Ben Ferry, Co-Chair
Sen. Margaret Dayton
Rep. Roger Barrus
Rep. Jack Draxler
Rep. Carl Duckworth
Rep. James R. Gowans
Rep. John G. Mathis
Rep. Michael E. Noel
Rep. Steve Sandstrom

MEMBERS ABSENT: Sen. Mike Dmitrich
Sen. John Valentine

STAFF: Ivan Djambov, Fiscal Analyst
Linda Service, Committee Secretary

Note: A list of visitors and a copy of handouts are filed with the committee minutes.

Rep. Ferry called the meeting to order at 2:24 p.m

Fiscal Analyst, Ivan Djambov, presented the Budget Brief and Issue Brief for the Utah Geological Survey. There are two requests for funding increase: 1) Funding for H.B. 134 School and Institutional Trust Lands Amendment which passed in the 2007 General Session but was not appropriated to the Division due to technical omission. The Analyst recommended the Committee provide the following appropriations from the Land Exchange Distribution restricted account: \$2,148,100 supplemental for FY 2008 and \$1,648,800 ongoing for FY 2009. 2) An ongoing appropriation of \$149,700 from the General Fund for two geologists to update geologic hazards mapping, training, and outreach. The Analyst recommended the Committee place this request on the funding priority list for the Executive Appropriations Committee. Mr. Djambov responded to committee questions.

Rick Allis, Director of the Utah Geological Survey, and John Kingsley, Associate Director, gave a presentation assisted by Kim Hardy, Deputy Director of the Survey. Director Allis reviewed handouts. There are three points of interest: 1) gross revenue coming into the economy from our energy and mineral production, 2) Snake Valley drilling, and 3) geologic hazards issues, building block requests. He mentioned the need for good data at the start of a project to dodge problems in the future. There is new technology which would make an important difference.

Mr. Allis explained the fees for the Department. Rep. Ferry noted the request for two new geologists.

Commissioner Cooper from Millard County introduced Dean Baker from Baker, Nevada and Garrison, Utah and Mark Ward from the Utah Association of Counties. They made a

recommendation on behalf of Millard, Juab and Tooele counties for an appropriation to the Utah Geological Survey to fund a collaborative project with the Utah BLM to monitor flow of surface seeps and springs in the Snake Valley. The first effect of any drilling or pumping will be on the springs in the Snake Valley. The project will go hand in hand with the wells that have been drilled through the appropriation from last year and is ongoing through the UGS. Dean Baker gave a presentation on the impact pumping has on spring flows in the Snake Valley. He expressed concern regarding what the impact will be when Southern Nevada Water Authority (SNWA) wants to fill a 7' pipeline year round. It is necessary to know not only what is happening to the water table now and in the future, but what the impacts are to wet and spring areas. Mark Ward stated they have learned that while the deep wells are a critical component of the measurement network, there is need to compliment that with a network that measures impact at the fragile seeps and springs on the surface. Both Utah and Nevada will share the data. Questions from the Committee were addressed. Rep. Ferry suggested to coordinate the necessity and over all management design of the proposed drilling, the new future sites, and the monies that have already been allocated with a collaborative effort between entities.

The Fiscal Analyst introduced the Division of Water Rights and Building Block requests. The Division is responsible for the measurement, appropriation, apportionment, and distribution of water in the state. The State Engineer and his staff oversee dam safety, stream channel alterations and water well drilling and there has been a huge work load increase in recent years. The three building block requests are dealing with work load issues. The first issue and recommendation is the Utah Lake/Jordan River Adjudication. The Analyst recommends the Subcommittee place on the priority list a request for a \$715,000 one-time appropriation from the General Fund for FY 2009. The second is Proof and Certificates of Beneficial Use Staff. The Analyst recommends the Subcommittee place on the priority list for FY 2009 a request for a one-time appropriation of \$130,000 from the General Fund. Third is the Water Rights Conveyance FTE. The Analyst recommends the Subcommittee provide funding for an ongoing FY 2009 appropriation of \$65,000 from Dedicated Credits (filing fees) to hire an Engineering Tech.

Jerry Olds, Director of the Division of Water Rights, introduced Boyd Clayton, Deputy Director and Dennis Carroll, Fiscal Analyst. Director Olds elaborated on the requests for funding increase and explained that the Adjudication is projected to be an 11-year project with total estimated costs of \$23,000,000. He responded to extensive questions and concerns from committee members.

Rep. Noel moved to adjourn. The meeting was adjourned at 3:53 p.m.

